

Government-Wide Support

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

REPORT S61

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PROGRAM ID:

PROGRAM STRUCTURE NO **11**

PROGRAM TITLE: **GOVERNMENT-WIDE SUPPORT**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		PERCENT CHANGE
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	
CURR LEASE PAYMENTS									
OTH CURRENT EXPENSES	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
TOTAL CURR LEASE PAY	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
BY MEANS OF FINANCING									
GENERAL FUND	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
OPERATING	1692.00*	*	1692.00*	1692.00*	4.00*	1696.00*	*	*	
PERSONAL SERVICES	89,216,239		89,216,239	90,251,083	941,421	91,192,504	179,467,322	180,408,743	
OTH CURRENT EXPENSES	1,107,628,532	26,900,880-	1,080,727,652	1,230,694,629	23,148,589-	1,207,546,040	2,338,323,161	2,288,273,692	
EQUIPMENT	2,843,571		2,843,571	707,571		707,571	3,551,142	3,551,142	
MOTOR VEHICLES	1,654,400		1,654,400	1,654,400	700,000	2,354,400	3,308,800	4,008,800	
TOTAL OPERATING COST	1,201,342,742	26,900,880-	1,174,441,862	1,323,307,683	21,507,168-	1,301,800,515	2,524,650,425	2,476,242,377	1.92-
BY MEANS OF FINANCING									
GENERAL FUND	1378.15*	*	1378.15*	1378.15*	-1.00*	1377.15*	*	*	
	591,038,236	15,809,647-	575,228,589	651,029,928	12,147,374-	638,882,554	1,242,068,164	1,214,111,143	
	75.00*	*	75.00*	75.00*	-1.00*	74.00*	*	*	
SPECIAL FUND	18,116,590		18,116,590	10,998,300	23,000	11,021,300	29,114,890	29,137,890	
	16.00*	*	16.00*	16.00*	*	16.00*	*	*	
OTHER FED. FUNDS	10,531,990		10,531,990	10,531,990	1,260,702	11,792,692	21,063,980	22,324,682	
	31.00*	*	31.00*	31.00*	*	31.00*	*	*	
TRUST FUNDS	11,159,793		11,159,793	14,490,357		14,490,357	25,650,150	25,650,150	
	75.85*	*	75.85*	75.85*	*	75.85*	*	*	
INTERDEPT. TRANSF	529,255,313	11,091,233-	518,164,080	601,117,152	11,324,502-	589,792,650	1,130,372,465	1,107,956,730	
	49.00*	*	49.00*	49.00*	*	49.00*	*	*	
REVOLVING FUND	24,686,576		24,686,576	24,686,576	681,006	25,367,582	49,373,152	50,054,158	
	67.00*	*	67.00*	67.00*	6.00*	73.00*	*	*	
OTHER FUNDS	16,554,244		16,554,244	10,453,380		10,453,380	27,007,624	27,007,624	
CAPITAL INVESTMENT									
PLANS	8,847,000		8,847,000	7,497,000	351,000	7,848,000	16,344,000	16,695,000	
LAND ACQUISITION	1,000		1,000	1,000	100,000	101,000	2,000	102,000	
DESIGN	1,011,000		1,011,000	246,000	1,939,000	2,185,000	1,257,000	3,196,000	
CONSTRUCTION	147,617,000	5,800,000-	141,817,000	114,851,000	11,000,000	125,851,000	262,468,000	267,668,000	
EQUIPMENT	6,000		6,000	1,956,000		1,956,000	1,962,000	1,962,000	
TOTAL CAPITAL COSTS	157,482,000	5,800,000-	151,682,000	124,551,000	13,390,000	137,941,000	282,033,000	289,623,000	2.69
BY MEANS OF FINANCING									

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PROGRAM ID:

PROGRAM STRUCTURE NO **11**

PROGRAM TITLE: **GOVERNMENT-WIDE SUPPORT**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
SPECIAL FUND	7,705,000		1,905,000				7,705,000	1,905,000	
G.O. BONDS	149,347,000	5,800,000-	149,347,000	124,551,000	11,390,000	135,941,000	273,898,000	285,288,000	
OTHER FED. FUNDS					2,000,000	2,000,000		2,000,000	
COUNTY FUNDS	430,000		430,000				430,000	430,000	
TOTAL POSITIONS	1692.00*	*	1692.00*	1692.00*	4.00*	1696.00*			
TOTAL PROGRAM COST	1,364,617,440	32,700,880-	1,331,916,560	1,453,651,381	8,117,168-	1,445,534,213	2,818,268,821	2,777,450,773	1.45-

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PROGRAM ID:
PROGRAM STRUCTURE NO **1101**
PROGRAM TITLE: **EXEC DIRECTN, COORD, & POLICY DEVELOPMEN**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	149.00*	*	149.00*	149.00*	-1.00*	148.00*	*	*	
PERSONAL SERVICES	10,079,865		10,079,865	11,083,798	349,421	11,433,219	21,163,663	21,513,084	
OTH CURRENT EXPENSES	312,527,507		312,527,507	346,241,389	1,471,037	347,712,426	658,768,896	660,239,933	
EQUIPMENT	10,000		10,000	10,000		10,000	20,000	20,000	
TOTAL OPERATING COST	322,617,372		322,617,372	357,335,187	1,820,458	359,155,645	679,952,559	681,773,017	.27
BY MEANS OF FINANCING									
GENERAL FUND	137.00*	*	137.00*	137.00*	-1.00*	136.00*	*	*	
	149,642,441		149,642,441	163,018,016	478,756	163,496,772	312,660,457	313,139,213	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
SPECIAL FUND	1,425,904		1,425,904	1,425,904		1,425,904	2,851,808	2,851,808	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
OTHER FED. FUNDS	1,024,298		1,024,298	1,024,298	1,245,702	2,270,000	2,048,596	3,294,298	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
TRUST FUNDS	394,801		394,801	4,423,489		4,423,489	4,818,290	4,818,290	
INTERDEPT. TRANSF	169,129,928		169,129,928	186,443,480	96,000	186,539,480	355,573,408	355,669,408	
REVOLVING FUND	1,000,000		1,000,000	1,000,000		1,000,000	2,000,000	2,000,000	
CAPITAL INVESTMENT									
PLANS	401,000		401,000	1,000		1,000	402,000	402,000	
DESIGN	400,000		400,000				400,000	400,000	
CONSTRUCTION	139,366,000		139,366,000	113,850,000		113,850,000	253,216,000	253,216,000	
EQUIPMENT				1,950,000		1,950,000	1,950,000	1,950,000	
TOTAL CAPITAL COSTS	140,167,000		140,167,000	115,801,000		115,801,000	255,968,000	255,968,000	
BY MEANS OF FINANCING									
G.O. BONDS	140,167,000		140,167,000	115,801,000		115,801,000	255,968,000	255,968,000	
TOTAL POSITIONS	149.00*	*	149.00*	149.00*	-1.00*	148.00*			
TOTAL PROGRAM COST	462,784,372		462,784,372	473,136,187	1,820,458	474,956,645	935,920,559	937,741,017	.19

PROGRAM ID: GOV-100
 PROGRAM STRUCTURE NO 110101
 PROGRAM TITLE: OFFICE OF THE GOVERNOR

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	34.00*	*	34.00*	34.00*	*	34.00*	*	*	
PERSONAL SERVICES	2,462,100		2,462,100	2,462,100	194,921	2,657,021	4,924,200	5,119,121	
OTH CURRENT EXPENSES	607,876		607,876	607,876	92,882	700,758	1,215,752	1,308,634	
TOTAL OPERATING COST	3,069,976		3,069,976	3,069,976	287,803	3,357,779	6,139,952	6,427,755	4.69
BY MEANS OF FINANCING									
GENERAL FUND	34.00*	*	34.00*	34.00*	*	34.00*	*	*	
INTERDEPT. TRANSF	3,069,976		3,069,976	3,069,976	191,803	3,261,779	6,139,952	6,331,755	
					96,000	96,000		96,000	
CAPITAL INVESTMENT PLANS	1,000		1,000	1,000		1,000	2,000	2,000	
TOTAL CAPITAL COSTS	1,000		1,000	1,000		1,000	2,000	2,000	
BY MEANS OF FINANCING									
G.O. BONDS	1,000		1,000	1,000		1,000	2,000	2,000	
TOTAL POSITIONS	34.00*	*	34.00*	34.00*	*	34.00*			
TOTAL PROGRAM COST	3,070,976		3,070,976	3,070,976	287,803	3,358,779	6,141,952	6,429,755	4.69

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: GOV100
Program Structure Level: 11 01 01
Program Title: Office of the Governor

A. Program Objective

The Office of the Governor provides leadership and executive management to State programs. The priorities of the administration are improving education, strengthening the economy, modernizing State government, and preserving Hawaii's environment and unique way of life.

B. Description of Request

1. Request inter-departmental transfers (U-Funding) for Neighbor Island Clerks providing services to the Department of the Attorney General.
2. Request funding for Senior Policy Advisor position previously held by employee of University of Hawaii.
3. Request funding for modification of existing position description of Deputy Chief of Staff to Deputy Advisor – Policy.
4. Request funding for dues to National Governor's Association and Pacific Basin Development Council.

C. Reasons for Request

1. Positions generate revenue collected by the Department of the Attorney General.
2. Key position not previously funded, formerly staffed by an employee on loan from the University of Hawaii.

3. Key position not previously funded, formerly staffed by an employee on loan from the Department of Business, Economic Development and Tourism.
4. Membership in the National Governor's Association and Pacific Basin Development Council are beneficial to State operations.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID: LTG-100

PROGRAM STRUCTURE NO 110102

PROGRAM TITLE: OFFICE OF THE LIEUTENANT GOVERNOR

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	3.00*	*	3.00*	3.00*	*	3.00*	*	*	
PERSONAL SERVICES	526,170		526,170	526,170	189,500	715,670	1,052,340	1,241,840	
OTH CURRENT EXPENSES	60,376		60,376	60,376	3,430	63,806	120,752	124,182	
TOTAL OPERATING COST	586,546		586,546	586,546	192,930	779,476	1,173,092	1,366,022	16.45
=====									
BY MEANS OF FINANCING									
GENERAL FUND	3.00*	*	3.00*	3.00*	*	3.00*	*	*	
	586,546		586,546	586,546	192,930	779,476	1,173,092	1,366,022	
TOTAL POSITIONS	3.00*	*	3.00*	3.00*	*	3.00*			
TOTAL PROGRAM COST	586,546		586,546	586,546	192,930	779,476	1,173,092	1,366,022	16.45
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: LTG 100
Program Structure Level: 11 01 02
Program Title: Office of the Lieutenant Governor

A. Program Objective

To enhance the efficiency and effectiveness of state programs by providing leadership and executive management and by developing policies and priorities to give program direction.

1. The Lieutenant Governor acts in place of the Governor in the event of the Governor's absence from the State.
2. Performs duties and undertakes projects assigned by the Governor. At this time, these duties have centered on public safety, including the Hawaii Drug Control Strategic Plan, Native Hawaiian issues, and economic development.
3. Pursuant to Section 26-1, HRS, the Lieutenant Governor is designated Secretary of State for intergovernmental relations. In this capacity, the Lieutenant Governor directs and performs varied activities which are administrative, ministerial and coordinative in nature.
4. Provide administrative support to agencies attached to this office which include:
 - a. Commission on the Status of Women; and
 - b. Office of Information Practices.

B. Description of Request

This request is to add six (6) full-time temporary, exempt positions to the Office of the Lieutenant Governor (OLG 100). These six (6) positions shall include four (4) Administrative Assistant I positions and one (1) Executive Assistant II position which are all clerical and administrative support in nature and whose job responsibilities shall include, but not be limited to, public and telephone reception, office messenger, filing, typing, accounts payable processing, assistance in all statutorily mandated activities, constituent services, and other general office duties. The Executive Assistant II position shall also have the responsibilities of providing legal secretarial duties to the Deputy Chief of Staff and General Counsel and the Legislative Director. The sixth position shall be a Drug Control Liaison who shall assist the Lieutenant Governor in the planning, control, coordination and management of the Hawaii Strategic Drug Control Plan and shall serve as a liaison between the Office of the Lieutenant Governor and the various federal, state, and county agencies and departments, as well as all other community stakeholders. These six positions are integral to the successful completion of the mission of the OLG which has been severely understaffed throughout the prior year.

C. Reasons for Request

The 2001 and 2002 Regular Sessions of the Legislature deleted the administration's funding request for full-year staffing of the OLG in FY 02-03. Funding authorized by the Legislature by Act 259, SLH 2001, as amended by Act 3, 3rd SpSLH 2001, and Act 177, SLH 2002, deleted requested funding for the last two quarters of FY 02-03, effectively omitting staffing from January through June 2003.

Impact on the public:

The requested funding is necessary to enable the Lieutenant Governor to properly exercise his office's statewide statutory and constitutional obligations. Without the means to engage appropriate staff support, the Lieutenant Governor cannot be expected to manage and ensure the proper implementation of State programs and services provided to the public, which not only includes existing statewide statutory and constitutional obligations, but also, newly entrusted leadership and policy making duties in the areas of public safety, including the Hawaii Drug Control Strategic Plan and Native Hawaiian issues. The OLG has also been enlisted to assist in economic development initiatives in partnership with DBEDT. The reality of three separate but co-equal branches of government will be thereby thwarted and indirectly undermined, unless reasonable capabilities are provided to this executive office as well.

Impact on the department and other agencies:

This request for funding seeks to reestablish the appropriate balance between the branches of government by providing sufficient resources to the Lieutenant Governor. This will enable that office's responsibilities which include existing statewide statutory and constitutional obligations as well as newly entrusted leadership and policy making duties in the areas of public safety and Native Hawaiian issues. The OLG has also been enlisted to assist in economic development initiatives in partnership with DBEDT.

D. Significant Changes to Measures of Effectiveness and Program Size

N/A

**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID:

PROGRAM STRUCTURE NO **110103**

PROGRAM TITLE: **POLICY DEVELOPMENT & COORDINATION**

PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			----- BIENNIUM TOTALS -----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	112.00 *		112.00 *	112.00 *	-1.00	111.00 *			
PERSONAL SERVICES	7,091,595		7,091,595	8,095,528	-35,000	8,060,528	15,187,123	15,152,123	
OTH CURRENT EXPENSES	311,859,255		311,859,255	345,573,137	1,374,725	346,947,862	657,432,392	658,807,117	
EQUIPMENT	10,000		10,000	10,000		10,000	20,000	20,000	
TOTAL OPERATING COST	318,960,850		318,960,850	353,678,665	1,339,725	355,018,390	672,639,515	673,979,240	0.20%
=====									
BY MEANS OF FINANCING									
	100.00 *		100.00 *	100.00 *	-1.00	99.00 *			
GENERAL FUND	145,985,919		145,985,919	159,361,494	94,023	159,455,517	305,347,413	305,441,436	
	4.00		4.00	4.00		4.00			
SPECIAL FUND	1,425,904		1,425,904	1,425,904		1,425,904			
	4.00 *		4.00 *	4.00 *		4.00 *			
OTHER FED. FUNDS	1,024,298		1,024,298	1,024,298	1,245,702	2,270,000	2,048,596	3,294,298	
	4.00 *		4.00 *	4.00		4.00 *			
TRUST FUNDS	394,801		394,801	4,423,489		4,423,489	4,818,290	4,818,290	
INTERDEPT. TRANSF	169,129,928		169,129,928	186,443,480		186,443,480			
REVOLVING FUND	1,000,000		1,000,000	1,000,000		1,000,000	2,000,000	2,000,000	
CAPITAL INVESTMENT									
PLANS	400,000		400,000				400,000	400,000	
DESIGN	400,000		400,000				400,000	400,000	
CONSTRUCTION	139,366,000		139,366,000	113,850,000		113,850,000	253,216,000	253,216,000	
EQUIPMENT				1,950,000		1,950,000	1,950,000	1,950,000	
TOTAL CAPITAL COSTS	140,166,000		140,166,000	115,800,000	0	115,800,000	255,966,000	255,966,000	
=====									
BY MEANS OF FINANCING									
G.O. BONDS	140,166,000		140,166,000	115,800,000		115,800,000	255,966,000	255,966,000	
TOTAL POSITIONS	112.00 *		112.00 *	112.00 *	-1.00 *	111.00 *			
TOTAL PROGRAM COST	459,126,850		459,126,850	469,478,665	1,339,725	470,818,390	928,605,515	929,945,240	0.14%
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**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID: **BED-144**
PROGRAM STRUCTURE NO **11010302**
PROGRAM TITLE: **STATEWIDE PLANNING & COORDINATION**

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	24.00*	*	24.00*	24.00*	-1.00*	23.00*	*	*	
PERSONAL SERVICES	1,665,499		1,665,499	1,667,499	35,000-	1,632,499	3,332,998	3,297,998	
OTH CURRENT EXPENSES	2,070,475		2,070,475	2,068,475	1,245,702	3,314,177	4,138,950	5,384,652	
EQUIPMENT	10,000		10,000	10,000		10,000	20,000	20,000	
TOTAL OPERATING COST	3,745,974		3,745,974	3,745,974	1,210,702	4,956,676	7,491,948	8,702,650	16.16
=====									
BY MEANS OF FINANCING									
GENERAL FUND	20.00*	*	20.00*	20.00*	-1.00*	19.00*	*	*	
SPECIAL FUND	1,601,676		1,601,676	1,601,676	35,000-	1,566,676	3,203,352	3,168,352	
	120,000		120,000	120,000		120,000	240,000	240,000	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
OTHER FED. FUNDS	1,024,298		1,024,298	1,024,298	1,245,702	2,270,000	2,048,596	3,294,298	
REVOLVING FUND	1,000,000		1,000,000	1,000,000		1,000,000	2,000,000	2,000,000	
TOTAL POSITIONS	24.00*	*	24.00*	24.00*	-1.00*	23.00*			
TOTAL PROGRAM COST	3,745,974		3,745,974	3,745,974	1,210,702	4,956,676	7,491,948	8,702,650	16.16
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: BED 144

Program Structure Level: 11 01 03 02

Program Title: Statewide Planning and Coordination

A. Program Objective

To enhance the efficiency and effectiveness of State programs by maintaining a comprehensive statewide planning process, through the formulation of a State policy plan and the development of a policy planning and implementation framework; by undertaking comprehensive land use and coastal zone planning, management, and implementation; by facilitating intergovernmental coordination and cooperation; by undertaking strategic and regional planning to address areas of critical State concerns related to social, economic or physical conditions; and by promoting programs and capital improvement projects which further State policies.

B. Description of Request

1. BED 144PL: Delete one temporary position, Office of Planning (OP) Projects Secretary but not the funding for the position (\$26,208).
2. BED 144PZ: Increase the expenditure ceiling level for appropriated Federal funds by \$1,245,702.
3. BED 144PL and BED 144PS: Transfer of one permanent position, Secretary to the Director, OP from BED 144PL and \$35,000 in personal services funds from BED 144PS to BED 142TL.

C. Reasons for Request

1. The temporary position has been abolished because there is not enough money in personal services to cover OP's payroll requirements. For FY 2004, the appropriations act reflected a payroll shortfall and required a minus \$59, 221 payroll adjustment for BED 144PL to cover the deficit. As such, this position should be deleted but not the funding.
2. Total Federal funds received have been more than the budget appropriation levels. The expenditure ceiling should be increased to reflect the total amount of Federal funds that OP's Coastal Zone Management (CZM) Program anticipates receiving for FY 2005
3. In FY 2004, the Governor approved the transfer of the Secretary to the OP Director position to BED 142TL to be redescribed as the Tourism Liaison position. The supplemental request reflects the transfer of this position and funds in FY 2005 to BED 142 TL.

D. Significant Changes to Measures of Effectiveness and Program Size

As requests #1 and #3 reflect actions already taken, there is no impact to the current program.

Request #2 enables the CZM program to expend federal funds more efficiently.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

BUF-101
11010305
PROGRAM PLANNING, ANALYSIS AND BUDGETING

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	50.00*	*	50.00*	50.00*	*	50.00*	*	*	
PERSONAL SERVICES	2,643,345		2,643,345	2,643,345		2,643,345	5,286,690	5,286,690	
OTH CURRENT EXPENSES	306,813,562		306,813,562	337,403,095	129,023	337,532,118	644,216,657	644,345,680	
TOTAL OPERATING COST	309,456,907		309,456,907	340,046,440	129,023	340,175,463	649,503,347	649,632,370	.02
BY MEANS OF FINANCING	50.00*	*	50.00*	50.00*	*	50.00*	*	*	
GENERAL FUND	140,326,979		140,326,979	153,602,960	129,023	153,731,983	293,929,939	294,058,962	
INTERDEPT. TRANSF	169,129,928		169,129,928	186,443,480		186,443,480	355,573,408	355,573,408	
CAPITAL INVESTMENT									
PLANS	400,000		400,000				400,000	400,000	
DESIGN	400,000		400,000				400,000	400,000	
CONSTRUCTION	139,366,000		139,366,000	113,850,000		113,850,000	253,216,000	253,216,000	
EQUIPMENT				1,950,000		1,950,000	1,950,000	1,950,000	
TOTAL CAPITAL COSTS	140,166,000		140,166,000	115,800,000		115,800,000	255,966,000	255,966,000	
BY MEANS OF FINANCING									
G.O. BONDS	140,166,000		140,166,000	115,800,000		115,800,000	255,966,000	255,966,000	
TOTAL POSITIONS	50.00*	*	50.00*	50.00*	*	50.00*			
TOTAL PROGRAM COST	449,622,907		449,622,907	455,846,440	129,023	455,975,463	905,469,347	905,598,370	.01

Narrative for Supplemental Budget Requests
FY 2005

Program ID: BUF 101

Program Structure Level: 11 01 03 05

Program Title: Program Planning, Analysis and Budgeting

A. Program Objective

To facilitate and improve the executive resource allocation process by undertaking planning, programming, and budgeting by conducting analyses and by making recommendations on all phases of inter- and intra-program scope and funding.

B. Description of Request

Additional FY 05 general funds of \$129,023 are required for accrued vacation liability accrued by former employees of the Hawaii Public Employees Health Fund (PEHF) as of June 30, 2003.

C. Reasons for Request

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) replaced the PEHF on July 1, 2003. Thirteen (13.00) permanent civil service general funded PEHF staff transferred to the EUTF. This request is to cover accrued vacation liability for the 13.00 former PEHF staff.

D. Significant Changes to Measures of Effectiveness and Program Size

None.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

LTG-101
11 01 03 06
CAMPAIGN SPENDING COMMISSION

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	4.00*	-4.000*	*	4.00*	-4.00*	*	*	*	*
PERSONAL SERVICES	346,638	346,638-		346,638	346,638-		693,276		
OTH CURRENT EXPENSES	48,163	48,163-		4,076,851	4,076,851-		4,125,014		
TOTAL OPERATING COST	394,801	394,801-		4,423,489	4,423,489-		4,818,290		100.00-
=====									
BY MEANS OF FINANCING									
TRUST FUNDS	4.00*	-4.000*	*	4.00*	-4.00*	*	*	*	*
	394,801	394,801-		4,423,489	4,423,489-		4,818,290		
TOTAL POSITIONS	4.00*	-4.000*	*	4.00*	-4.00*	*			
TOTAL PROGRAM COST	394,801	394,801-		4,423,489	4,423,489-		4,818,290		100.00-
=====									

**Narrative for Supplement Budget Request
FY 2005**

Program I.D.: LTG 101
Program Structure: 11 01 03 06
Program Title: Campaign Spending Commission

A. Program Objectives

To insure full disclosure of contributions and expenditures by all candidates, parties and committees; conduct administrative hearings; and administer public funding of the Hawaii Election Campaign trust fund.

B. Description of Request

Transfer the Campaign Spending Commission from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

C. Reasons for Request

Act 117, Session Laws of Hawaii 2003, transfers the Campaign Spending Commission from the Office of the Lieutenant Governor to the Department of Accounting and General Services. The request deletes this program from the Office of the Lieutenant Governor.

D. Significant Changes to Measures of Effectiveness and Program Size

Not Applicable.

PROGRAM ID: AGS-871
 PROGRAM STRUCTURE NO 11010306
 PROGRAM TITLE: CAMPAIGN SPENDING COMMISSION

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	4.000*	4.00*	*	4.00*	4.00*	*	*	
PERSONAL SERVICES		346,638	346,638		346,638	346,638		693,276	
OTH CURRENT EXPENSES		48,163	48,163		4,076,851	4,076,851		4,125,014	
TOTAL OPERATING COST		394,801	394,801		4,423,489	4,423,489		4,818,290	100.00
=====									
BY MEANS OF FINANCING									
TRUST FUNDS	*	4.000*	4.00*	*	4.00*	4.00*	*	*	
		394,801	394,801		4,423,489	4,423,489		4,818,290	
TOTAL POSITIONS	*	4.000*	4.00*	*	4.00*	4.00*			
TOTAL PROGRAM COST		394,801	394,801		4,423,489	4,423,489		4,818,290	100.00
=====									

**Narrative for Supplement Budget Request
FY 2005**

Program I.D.: AGS 871
Program Structure: 11 01 03 06
Program Title: Campaign Spending Commission

A. Program Objectives

To insure full disclosure of contributions and expenditures by all candidates, parties and committees; conduct administrative hearings; and administer public funding of the Hawaii Election Campaign trust fund.

B. Description of Request

Transfer the Campaign Spending Commission from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

C. Reasons for Request

Act 117, Session Laws of Hawaii 2003, transfers the Campaign Spending Commission from the Office of the Lieutenant Governor to the Department of Accounting and General Services. The request adds this program to the Department of Accounting and General Services.

D. Significant Changes to Measures of Effectiveness and Program Size

Not Applicable.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

LTG-102
11 01 03 07
OFFICE OF ELECTIONS

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	4.00*	-4.000*	*	4.00*	-4.00*	*	*	*	*
PERSONAL SERVICES	779,386	779,386-		1,778,270	1,778,270-		2,557,656		
OTH CURRENT EXPENSES	1,703,838	1,703,838-		804,548	804,548-		2,508,386		
TOTAL OPERATING COST	2,483,224	2,483,224-		2,582,818	2,582,818-		5,066,042		100.00-
=====									
BY MEANS OF FINANCING									
GENERAL FUND	2,483,224	2,483,224-	*	2,582,818	2,582,818-	*	5,066,042		*
TOTAL POSITIONS	4.00*	-4.000*	*	4.00*	-4.00*	*			
TOTAL PROGRAM COST	2,483,224	2,483,224-		2,582,818	2,582,818-		5,066,042		100.00-
=====									

**Narrative for Supplement Budget Request
FY 2005**

Program I.D.: LTG 102
Program Structure: 11 01 03 07
Program Title: Office of Elections

A. Program Objectives

To maximize voter participation in the electoral process by developing policies and procedures that encourage registration and turnout.

B. Description of Request

Transfer the Office of Elections from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

C. Reasons for Request

Act 117, Session Laws of Hawaii 2003, transfers the Office of Elections from the Office of the Lieutenant Governor to the Department of Accounting and General Services. The request deletes this program from the Office of the Lieutenant Governor.

D. Significant Changes to Measures of Effectiveness and Program Size

Not Applicable.

PROGRAM ID: AGS-879
 PROGRAM STRUCTURE NO 11010307
 PROGRAM TITLE: OFFICE OF ELECTIONS

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	*	4.000*	4.00*	*	4.00*	4.00*	*	*	
PERSONAL SERVICES		779,386	779,386		1,778,270	1,778,270		2,557,656	
OTH CURRENT EXPENSES		1,703,838	1,703,838		804,548	804,548		2,508,386	
TOTAL OPERATING COST		2,483,224	2,483,224		2,582,818	2,582,818		5,066,042	100.00
=====	=====	=====	=====	=====	=====	=====	=====	=====	
BY MEANS OF FINANCING									
GENERAL FUND	*	4.000*	4.00*	*	4.00*	4.00*	*	*	
		2,483,224	2,483,224		2,582,818	2,582,818		5,066,042	
TOTAL POSITIONS	*	4.000*	4.00*	*	4.00*	4.00*			
TOTAL PROGRAM COST		2,483,224	2,483,224		2,582,818	2,582,818		5,066,042	100.00
=====	=====	=====	=====	=====	=====	=====	=====	=====	

**Narrative for Supplement Budget Request
FY 2005**

Program I.D.: AGS 879
Program Structure: 11 01 03 07
Program Title: Office of Elections

A. Program Objectives

To maximize voter participation in the electoral process by developing policies and procedures that encourage registration and turnout.

B. Description of Request

Transfer the Office of Elections from the Office of the Lieutenant Governor to the Department of Accounting and General Services.

C. Reasons for Request

Act 117, Session Laws of Hawaii 2003, transfers the Office of Elections from the Office of the Lieutenant Governor to the Department of Accounting and General Services. The request adds this program to the Department of Accounting and General Services.

D. Significant Changes to Measures of Effectiveness and Program Size

Not Applicable.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID:
PROGRAM STRUCTURE NO **1102**
PROGRAM TITLE: **FISCAL MANAGEMENT**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	404.00*	*	404.00*	404.00*	*	404.00*	*	*	
PERSONAL SERVICES	17,737,213		17,737,213	17,739,847		17,739,847	35,477,060	35,477,060	
OTH CURRENT EXPENSES	368,908,675	26,900,880-	342,007,795	388,030,859	28,049,674-	359,981,185	756,939,534	701,988,980	
TOTAL OPERATING COST	386,645,888	26,900,880-	359,745,008	405,770,706	28,049,674-	377,721,032	792,416,594	737,466,040	6.93-
=====									
BY MEANS OF FINANCING									
GENERAL FUND	399.00*	*	399.00*	399.00*	*	399.00*	*	*	
SPECIAL FUND	230,015,311	15,809,647-	214,205,664	245,618,981	16,483,172-	229,135,809	475,634,292	443,341,473	
	8,579,542		8,579,542	1,494,252		1,494,252	10,073,794	10,073,794	
TRUST FUNDS	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
	3,407,742		3,407,742	3,259,868		3,259,868	6,667,610	6,667,610	
INTERDEPT. TRANSF	1.00*	*	1.00*	1.00*	*	1.00*	*	*	
	144,643,293	11,091,233-	133,552,060	155,397,605	11,566,502-	143,831,103	300,040,898	277,383,163	
TOTAL POSITIONS	404.00*	*	404.00*	404.00*	*	404.00*			
TOTAL PROGRAM COST	386,645,888	26,900,880-	359,745,008	405,770,706	28,049,674-	377,721,032	792,416,594	737,466,040	6.93-
=====									

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID:
PROGRAM STRUCTURE NO **110201**
PROGRAM TITLE: **REVENUE COLLECTION**

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	332.00*	*	332.00*	332.00*	*	332.00*	*	*	
PERSONAL SERVICES	14,425,136		14,425,136	14,425,136		14,425,136	28,850,272	28,850,272	
OTH CURRENT EXPENSES	12,488,556		12,488,556	5,403,266	3,933	5,407,199	17,891,822	17,895,755	
TOTAL OPERATING COST	26,913,692		26,913,692	19,828,402	3,933	19,832,335	46,742,094	46,746,027	.01
=====									
BY MEANS OF FINANCING	332.00*	*	332.00*	332.00*	*	332.00*	*	*	
GENERAL FUND	18,334,150		18,334,150	18,334,150	3,933	18,338,083	36,668,300	36,672,233	
SPECIAL FUND	8,579,542		8,579,542	1,494,252		1,494,252	10,073,794	10,073,794	
TOTAL POSITIONS	332.00*	*	332.00*	332.00*	*	332.00*			
TOTAL PROGRAM COST	26,913,692		26,913,692	19,828,402	3,933	19,832,335	46,742,094	46,746,027	.01
=====									

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

TAX-107
11020104
SUPPORTING SERVICES - REVENUE COLLECTION

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			----- BIENNIUM TOTALS -----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	57.00*	*	57.00*	57.00*	*	57.00*	*	*	
PERSONAL SERVICES	3,891,702		3,891,702	3,891,702		3,891,702	7,783,404	7,783,404	
OTH CURRENT EXPENSES	10,584,329		10,584,329	3,499,039	3,933	3,502,972	14,083,368	14,087,301	
TOTAL OPERATING COST	14,476,031		14,476,031	7,390,741	3,933	7,394,674	21,866,772	21,870,705	.02
=====									
BY MEANS OF FINANCING	57.00*	*	57.00*	57.00*	*	57.00*	*	*	
GENERAL FUND	5,896,489		5,896,489	5,896,489	3,933	5,900,422	11,792,978	11,796,911	
SPECIAL FUND	8,579,542		8,579,542	1,494,252		1,494,252	10,073,794	10,073,794	
TOTAL POSITIONS	57.00*	*	57.00*	57.00*	*	57.00*			
TOTAL PROGRAM COST	14,476,031		14,476,031	7,390,741	3,933	7,394,674	21,866,772	21,870,705	.02
=====									

NARRATIVE ON SUPPLEMENTAL BUDGET REQUESTS
Fiscal Year 2005

PROGRAM ID: TAX 107

STRUCTURE LEVEL: 11 02 01 04

PROGRAM TITLE: SUPPORTING SERVICES-REVENUE COLLECTION

A. STATEMENT OF PROGRAM OBJECTIVES

To enhance program effectiveness and efficiency through technical and support assistance, automation, research and statistical analysis.

C. REASONS FOR REQUEST

Increase in Risk Management Cost allocation per Department of Accounting and General Services.

B. DESCRIPTION OF REQUEST

Increase funds for Risk Management.

D. SIGNIFICANT CHANGES TO MEASURES OF EFFECTIVENESS AND PROGRAM SIZE.

N/A

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **BUF-115**
PROGRAM STRUCTURE NO **110203**
PROGRAM TITLE: **FINANCIAL ADMINISTRATION**

PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
PERSONAL SERVICES	970,632		970,632	973,266		973,266	1,943,898	1,943,898	
OTH CURRENT EXPENSES	355,081,602	26,900,880-	328,180,722	381,289,076	28,053,607-	353,235,469	736,370,678	681,416,191	
TOTAL OPERATING COST	356,052,234	26,900,880-	329,151,354	382,262,342	28,053,607-	354,208,735	738,314,576	683,360,089	7.44-
=====									
BY MEANS OF FINANCING									
GENERAL FUND	16.00*	*	16.00*	16.00*	*	16.00*	*	*	
	208,001,199	15,809,647-	192,191,552	223,604,869	16,487,105-	207,117,764	431,606,068	399,309,316	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
TRUST FUNDS	3,407,742		3,407,742	3,259,868		3,259,868	6,667,610	6,667,610	
	1.00*	*	1.00*	1.00*	*	1.00*	*	*	
INTERDEPT. TRANSF	144,643,293	11,091,233-	133,552,060	155,397,605	11,566,502-	143,831,103	300,040,898	277,383,163	
TOTAL POSITIONS	21.00*	*	21.00*	21.00*	*	21.00*			
TOTAL PROGRAM COST	356,052,234	26,900,880-	329,151,354	382,262,342	28,053,607-	354,208,735	738,314,576	683,360,089	7.44-
=====									

Narrative on Supplemental Budget Requests
FY 2005

PROGRAM I.D.: BUF 115
STRUCTURE LEVEL: 11 02 03
PROGRAM TITLE: FINANCIAL ADMINISTRATION

A. Statement of Program Objectives

To maximize the value, investment, and use of State funds through proactive planning, the development of prudent statewide financial policies, the timely scheduling of state bond financing and the establishment of appropriate cash management controls and procedures.

B. Description of Request

Reduction in Current Expenses: \$54,954,487. The projected debt service cost was reduced by \$25.6 million for fiscal year 2004 and by \$ 27.1 million for fiscal year 2005 due to the sale of \$188,650,000 Series DB General Obligation Refunding Bonds and \$23,730,000 Series DC General Obligation Refunding Bonds. Also, debt service costs savings (interest - GO Bonds) of \$1.3 million in FY 2004 and \$1.7 million in FY 2005 on the issuance of Series DA General Obligation Bonds were realized when actual interest rates (4.96%) were lower than the budgeted interest rate of 5.50%. Furthermore, an additional \$.713 million in debt service was provided for in FY 05 due to a change in the amount of a planned general obligation bond issuance from \$200 million to \$225 million during the first half of FY 2005.

C. Reason For Request

Bond proceeds from the sale of \$188,650,000 Series DB General Obligation Refunding Bonds and \$23,730,000 Series DC General Obligation Refunding Bonds enabled the program to reduce debt service costs in FY 2004 and FY 2005 Supplemental Budget. The issuance of general obligation refunding bonds resulted in debt service savings of \$52.7 million. The savings reduced the amount of funds required for debt service payable on the State's general obligation bonds in certain years.

Also, a lower interest rate than the forecasted interest rate for a planned new moneys general obligation bond issuance (Series DA) resulted in a lesser amount of funds required for debt service costs in FY 2004 and FY 2005.

D. Discussion of Significant Changes to Measures of Effectiveness and Program Size Indicators.

Since September 11, 2001, prudent management of State of Hawaii finances has been very difficult and challenging in maximizing interest earnings because of the decrease in idle funds available for investments and investment yields in the short-term investment markets due to the significant decline of interest rates. The earnings from short-term investments constitute a valuable source of funding governmental services to the residents of the State of Hawaii.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID:
PROGRAM STRUCTURE NO **1103**
PROGRAM TITLE: **GENERAL SERVICES**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS									
OTH CURRENT EXPENSES	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
TOTAL CURR LEASE PAY	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
BY MEANS OF FINANCING									
GENERAL FUND	5,792,698		5,792,698	5,792,698		5,792,698	11,585,396	11,585,396	
OPERATING	1139.00*	*	1139.00*	1139.00*	5.00*	1144.00*	*	*	
PERSONAL SERVICES	61,399,161		61,399,161	61,427,438	592,000	62,019,438	122,826,599	123,418,599	
OTH CURRENT EXPENSES	426,192,350		426,192,350	496,422,381	3,430,048	499,852,429	922,614,731	926,044,779	
EQUIPMENT	2,833,571		2,833,571	697,571		697,571	3,531,142	3,531,142	
MOTOR VEHICLES	1,654,400		1,654,400	1,654,400	700,000	2,354,400	3,308,800	4,008,800	
TOTAL OPERATING COST	492,079,482		492,079,482	560,201,790	4,722,048	564,923,838	1,052,281,272	1,057,003,320	.45
BY MEANS OF FINANCING									
GENERAL FUND	842.15*	*	842.15*	842.15*	*	842.15*	*	*	
	211,380,484		211,380,484	242,392,931	3,857,042	246,249,973	453,773,415	457,630,457	
SPECIAL FUND	71.00*	*	71.00*	71.00*	-1.00*	70.00*	*	*	
	8,111,144		8,111,144	8,078,144	23,000	8,101,144	16,189,288	16,212,288	
OTHER FED. FUNDS	12.00*	*	12.00*	12.00*	*	12.00*	*	*	
	9,507,692		9,507,692	9,507,692	15,000	9,522,692	19,015,384	19,030,384	
TRUST FUNDS	23.00*	*	23.00*	23.00*	*	23.00*	*	*	
	7,357,250		7,357,250	6,807,000		6,807,000	14,164,250	14,164,250	
INTERDEPT. TRANSF	74.85*	*	74.85*	74.85*	*	74.85*	*	*	
	215,482,092		215,482,092	259,276,067	146,000	259,422,067	474,758,159	474,904,159	
REVOLVING FUND	49.00*	*	49.00*	49.00*	*	49.00*	*	*	
	23,686,576		23,686,576	23,686,576	681,006	24,367,582	47,373,152	48,054,158	
OTHER FUNDS	67.00*	*	67.00*	67.00*	6.00*	73.00*	*	*	
	16,554,244		16,554,244	10,453,380		10,453,380	27,007,624	27,007,624	
CAPITAL INVESTMENT									
PLANS	8,446,000		8,446,000	7,496,000	351,000	7,847,000	15,942,000	16,293,000	
LAND ACQUISITION	1,000		1,000	1,000	100,000	101,000	2,000	102,000	
DESIGN	611,000		611,000	246,000	1,939,000	2,185,000	857,000	2,796,000	
CONSTRUCTION	8,251,000	5,800,000-	2,451,000	1,001,000	11,000,000	12,001,000	9,252,000	14,452,000	
EQUIPMENT	6,000		6,000	6,000		6,000	12,000	12,000	
TOTAL CAPITAL COSTS	17,315,000	5,800,000-	11,515,000	8,750,000	13,390,000	22,140,000	26,065,000	33,655,000	29.12
BY MEANS OF FINANCING									

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID:
PROGRAM STRUCTURE NO **1103**
PROGRAM TITLE: **GENERAL SERVICES**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS			PERCENT CHANGE
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM		
SPECIAL FUND	7,705,000	5,800,000-	1,905,000				7,705,000	1,905,000		
G.O. BONDS	9,180,000		9,180,000	8,750,000	11,390,000	20,140,000	17,930,000	29,320,000		
OTHER FED. FUNDS					2,000,000	2,000,000		2,000,000		
COUNTY FUNDS	430,000		430,000				430,000	430,000		
 TOTAL POSITIONS	 1139.00*	 *	 1139.00*	 1139.00*	 5.00*	 1144.00*				
TOTAL PROGRAM COST	515,187,180	5,800,000-	509,387,180	574,744,488	18,112,048	592,856,536	1,089,931,668	1,102,243,716	1.13	
	=====	=====	=====	=====	=====	=====	=====	=====		

PROGRAM ID: ATG-100
PROGRAM STRUCTURE NO 110301
PROGRAM TITLE: LEGAL SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	273.00*	*	273.00*	273.00*	*	273.00*	*	*	
PERSONAL SERVICES	21,450,211		21,450,211	21,450,211	642,000	22,092,211	42,900,422	43,542,422	
OTH CURRENT EXPENSES	20,902,871		20,902,871	20,902,871	8,980	20,911,851	41,805,742	41,814,722	
EQUIPMENT	48,625		48,625	15,625		15,625	64,250	64,250	
TOTAL OPERATING COST	42,401,707		42,401,707	42,368,707	650,980	43,019,687	84,770,414	85,421,394	.77
=====									
BY MEANS OF FINANCING	201.15*	*	201.15*	201.15*	*	201.15*	*	*	
GENERAL FUND	17,676,600		17,676,600	17,676,600	466,980	18,143,580	35,353,200	35,820,180	
	15.00*	*	15.00*	15.00*	*	15.00*	*	*	
SPECIAL FUND	1,475,959		1,475,959	1,442,959	23,000	1,465,959	2,918,918	2,941,918	
	12.00*	*	12.00*	12.00*	*	12.00*	*	*	
OTHER FED. FUNDS	9,435,058		9,435,058	9,435,058	15,000	9,450,058	18,870,116	18,885,116	
TRUST FUNDS	3,918,000		3,918,000	3,918,000		3,918,000	7,836,000	7,836,000	
	40.85*	*	40.85*	40.85*	*	40.85*	*	*	
INTERDEPT. TRANSF	6,879,698		6,879,698	6,879,698	146,000	7,025,698	13,759,396	13,905,396	
	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
REVOLVING FUND	3,016,392		3,016,392	3,016,392		3,016,392	6,032,784	6,032,784	
TOTAL POSITIONS	273.00*	*	273.00*	273.00*	*	273.00*			
TOTAL PROGRAM COST	42,401,707		42,401,707	42,368,707	650,980	43,019,687	84,770,414	85,421,394	.77
=====									

Narrative for Supplemental Budget Requests
FY 2005

Program ID: ATG 100
Program Structure Level: 11 03 01
PROGRAM TITLE: Legal Services

A. Program Objective

To facilitate the compliance with and enforcement of State and federal laws by (1) providing legal advice and advisory opinions, (2) conducting investigations, and (3) seeking enforcement action in court and before administrative agencies; to protect the State's interest in all legal matters before the State and federal courts and before administrative agencies; and to safeguard the rights and interests of the people by undertaking legal or judicial actions on their behalf.

B. Description of Request

The supplemental budget request includes the following:

1. Add additional general funds of \$8,980 to cover the allocated increase in risk management cost.
2. Add funding of \$642,000 for salary adjustments for deputy attorneys general. The \$642,000 will be allocated to the various means of financing as follows: \$458,000 for general funds, \$23,000 for special funds, \$15,000 for federal funds, and \$146,000 for interdepartmental funds.

C. Reasons for Request

1. DAGS has increased the Department's Risk Management Program allocation by \$8,980 beginning in FY 2005.
2. The additional funding of \$642,000 is requested to adjust the deputy attorneys general's salary structure in order for the Department to compete for lawyers with federal and local government agencies and private firms.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID:
PROGRAM STRUCTURE NO **110305**
PROGRAM TITLE: **PERSONNEL SERVICES**

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			----- BIENNIUM TOTALS -----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	115.00*	*	115.00*	115.00*	*	115.00*	*	*	
PERSONAL SERVICES	5,977,343		5,977,343	5,938,184		5,938,184	11,915,527	11,915,527	
OTH CURRENT EXPENSES	13,483,695		13,483,695	13,522,854	3,057,965	16,580,819	27,006,549	30,064,514	
TOTAL OPERATING COST	19,461,038		19,461,038	19,461,038	3,057,965	22,519,003	38,922,076	41,980,041	7.86
=====									
BY MEANS OF FINANCING									
GENERAL FUND	115.00*	*	115.00*	115.00*	*	115.00*	*	*	
	13,874,757		13,874,757	13,874,757	3,057,965	16,932,722	27,749,514	30,807,479	
SPECIAL FUND	700,000	*	700,000	700,000	*	700,000	1,400,000	1,400,000	
INTERDEPT. TRANSF	4,886,281		4,886,281	4,886,281		4,886,281	9,772,562	9,772,562	
TOTAL POSITIONS	115.00*	*	115.00*	115.00*	*	115.00*			
TOTAL PROGRAM COST	19,461,038		19,461,038	19,461,038	3,057,965	22,519,003	38,922,076	41,980,041	7.86
=====									

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Budget Requests)

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID: **HRD-102**
 PROGRAM STRUCTURE NO **11030501**
 PROGRAM TITLE: **WORK FORCE ATTR, SELECT, CLASS & EFFECT**

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	106.00*		106.00*	106.00*		102.00*			
PERSONAL SERVICES	5,457,925	*	5,457,925	5,418,766	-4.00*	5,190,826	10,876,691	10,648,751	*
OTH CURRENT EXPENSES	12,893,380		12,893,380	12,932,539	227,940-	15,988,435	25,825,919	28,881,815	
TOTAL OPERATING COST	18,351,305		18,351,305	18,351,305	3,055,896	21,179,261	36,702,610	39,530,566	7.71
=====									
BY MEANS OF FINANCING									
GENERAL FUND	106.00*	*	106.00*	106.00*	-4.00*	102.00*	*	*	
	12,765,024		12,765,024	12,765,024	2,827,956	15,592,980	25,530,048	28,358,004	*
SPECIAL FUND	700,000	*	700,000	700,000	*	700,000	*	*	
INTERDEPT. TRANSF	4,886,281		4,886,281	4,886,281		4,886,281	1,400,000	1,400,000	*
							9,772,562	9,772,562	
TOTAL POSITIONS	106.00*	*	106.00*	106.00*	-4.00*	102.00*			
TOTAL PROGRAM COST	18,351,305		18,351,305	18,351,305	2,827,956	21,179,261	36,702,610	39,530,566	7.71
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program I.D.: HRD 102
Structure Level: 11 03 05 01
Program Title: Workforce Attraction, Selection, Classification and Effectiveness

A. Program Objective

To support program objectives through recruitment and retention of a qualified civil service work force founded on merit by classifying positions based on work and compensating employees at proper pay and benefit levels and at competitive rates, by obtaining the work force on a timely basis, by maintaining a system to assure effective employee-employer relations, and by improving on-the-job performance through employee development and assistance programs. Develop safety and health programs, including prevention and workers' compensation claims management and return-to-work programs to increase worker productivity and contain the State's cost for workers' compensation.

B. Description of Request

An increase in funding for workers' compensation statutory entitlements is being requested for the administration of a statewide (except for DOE and UH) workers' compensation program which includes claims management, return to work priority placement, and fiscal accountability, safety and accident prevention program and Temporary Disability Benefits plan in accordance with State and Federal laws, rules, and regulations.

C. Reasons for Request

Additional funds are being requested in order to meet the statutorily required entitlement payments. The additional funds are needed for the following reasons:

- a. Each year on January 1st, the rate at which weekly benefits are paid is increased based upon a percentage of the State's average weekly wage.
- b. Medical costs continue to rise. Statistics reflect a 20% (approx.) increase between 2001 and 2002, and a 12% (approx.) increase between 2002 and 2003. In January, the new Medicare rates which are slightly lower than the current ones may be used. However, it is possible there may be an increase in the percentage paid over the Medicare rate which is currently 10%. This would negate any savings that might have occurred.
- c. The amount that is paid for the annual assessment into the Special Compensation Fund (386-151, H.R.S.) varies from year to year based upon industry-wide expenditures (formula set by statute) which have been steadily increasing.

D. Significant Changes to Measures of Effectiveness and Program Size

Not applicable.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

HRD-191
11030502
SUPPORTING SERVICES-HUMAN RESOURCES DEV.

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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	-----FY2003-04-----			-----FY2004-05-----			----- BIENNIUM TOTALS -----		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	9.00*	*	9.00*	9.00*	4.00*	13.00*	*	*	
PERSONAL SERVICES	519,418		519,418	519,418	227,940	747,358	1,038,836	1,266,776	
OTH CURRENT EXPENSES	590,315		590,315	590,315	2,069	592,384	1,180,630	1,182,699	
TOTAL OPERATING COST	1,109,733		1,109,733	1,109,733	230,009	1,339,742	2,219,466	2,449,475	10.36
=====									
BY MEANS OF FINANCING									
GENERAL FUND	9.00*	*	9.00*	9.00*	4.00*	13.00*	*	*	
	1,109,733		1,109,733	1,109,733	230,009	1,339,742	2,219,466	2,449,475	
TOTAL POSITIONS	9.00*	*	9.00*	9.00*	4.00*	13.00*			
TOTAL PROGRAM COST	1,109,733		1,109,733	1,109,733	230,009	1,339,742	2,219,466	2,449,475	10.36
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program I.D.: HRD 191
Structure Level: 11 03 05 02
Program Title: Supporting Services-Human Resources Development

A. Program Objectives

To enhance program effectiveness and efficiency by formulating policies, directing operations and personnel and providing other administrative and housekeeping services.

B. Description of Request

The supplemental budget request includes an increase of \$,2069 to cover the allocated increase in risk management cost.

C. Reasons for Request

DAGS has increased the department's Risk Management Program allocation by \$2,069 in FY 05.

D. Significant Changes to Measures of Effectiveness and Program Size

Not applicable.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID:
PROGRAM STRUCTURE NO **110306**
PROGRAM TITLE: **EMPLOYEE FRINGE BENEFIT ADMINISTRATION**

PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			----- BIENNIUM TOTALS -----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	90.00*		90.00*	90.00*		96.00*			
PERSONAL SERVICES	5,632,742		5,632,742	5,700,178		5,700,178	11,332,920	11,332,920	
OTH CURRENT EXPENSES	344,805,928		344,805,928	414,996,800		414,996,800	759,802,728	759,802,728	
EQUIPMENT	2,238,000		2,238,000	135,000		135,000	2,373,000	2,373,000	
TOTAL OPERATING COST	352,676,670		352,676,670	420,831,978		420,831,978	773,508,648	773,508,648	
=====									
BY MEANS OF FINANCING									
GENERAL FUND	137,882,906		137,882,906	168,895,353		168,895,353	306,778,259	306,778,259	
	23.00*	*	23.00*	23.00*	*	23.00*			*
TRUST FUNDS	3,439,250		3,439,250	2,889,000		2,889,000	6,328,250	6,328,250	
INTERDEPT. TRANSF	194,800,270		194,800,270	238,594,245		238,594,245	433,394,515	433,394,515	
	67.00*	*	67.00*	67.00*	6.00*	73.00*			*
OTHER FUNDS	16,554,244		16,554,244	10,453,380		10,453,380	27,007,624	27,007,624	
TOTAL POSITIONS	90.00*	*	90.00*	90.00*	6.00*	96.00*			
TOTAL PROGRAM COST	352,676,670		352,676,670	420,831,978		420,831,978	773,508,648	773,508,648	
=====									

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Budget Requests)

PROGRAM ID: **BUF-141**
 PROGRAM STRUCTURE NO **11030601**
 PROGRAM TITLE: **RETIREMENT**

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	67.00*	*	67.00*	67.00*	6.00*	73.00*	*	*	
PERSONAL SERVICES	4,333,742		4,333,742	4,385,878		4,385,878	8,719,620	8,719,620	
OTH CURRENT EXPENSES	342,665,678		342,665,678	413,422,100		413,422,100	756,087,778	756,087,778	
EQUIPMENT	2,238,000		2,238,000	135,000		135,000	2,373,000	2,373,000	
TOTAL OPERATING COST	349,237,420		349,237,420	417,942,978		417,942,978	767,180,398	767,180,398	
=====									
BY MEANS OF FINANCING									
GENERAL FUND	137,882,906		137,882,906	168,895,353		168,895,353	306,778,259	306,778,259	
INTERDEPT. TRANSF	194,800,270		194,800,270	238,594,245		238,594,245	433,394,515	433,394,515	
	67.00*	*	67.00*	67.00*	6.00*	73.00*	*	*	
OTHER FUNDS	16,554,244		16,554,244	10,453,380		10,453,380	27,007,624	27,007,624	
TOTAL POSITIONS	67.00*	*	67.00*	67.00*	6.00*	73.00*			
TOTAL PROGRAM COST	349,237,420		349,237,420	417,942,978		417,942,978	767,180,398	767,180,398	
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: BUF 141
Program Structure Level: 11 03 06 01
Program Title: Retirement

A. Program Objective

To provide retirement and survivor benefits for State and County members and to prudently maximize the return on investments.

B. Description of Request

This request is to convert five (5.00) temporary Retirement Program Technician, and one (1.00) temporary Retirement Benefits Specialist positions to permanent status. The six (6.00) positions are needed to fill critical on going needs to assist with burgeoning workload increases related to projected growth in member and retiree enrollments.

C. Reasons for Request

Currently, the Enrollment, Claims & Benefits Branch (EC&B Branch) provides many services that benefit the ERS membership, including dissemination of information

to over 62,000 employees of the State and counties and counseling services to thousands of employees who retire each year and to others who are contemplating retirement. Other major activities include enrolling new members or accounting for transfers of employees from one jurisdiction to another. The EC&B Branch also services those employees who apply for disability benefits and beneficiaries of deceased retirees. There are also claims for previous service and ten thousand or more inquiries for years of service or other time within State or county government.

Furthermore, the ERS' actuary projects that the number of retirees will increase by 10,000 to 40,000 in 10 years. Over the past 20 years, current or former State and county government employees have filed retirement claims, and complex issues have surfaced from personnel and payroll actions that require significant research and analysis. The demands

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: BUF 141
Program Structure Level: 11 03 06 01
Program Title: Retirement

created from the increasing membership, claims, and inquiries have forced the ERS to make significant operational changes and to forego or delay many activities under its purview. As a result processing disability and death claims, retirement estimate requests, enrollment of new members, finalizing retiree pension benefits, purchase of service requests, years of service inquiries, and other requests have started to accumulate and have created a significant backlog. To meet the increasing workload, the ERS had dedicated project teams assigned to decrease these backlogs and to address these growing demands on the ERS. Individual retirement counseling sessions were changed to group sessions to accommodate more individuals in the same amount of time. Time spent to educate employers on how to enroll new members, process employee transfers, and classify members under the numerous contributory and noncontributory codes had to be significantly reduced to concentrate on the backlogs.

The ERS staff performed a workload study to determine its resource needs. The annual caseload for each Retirement Claims Examiner had increased from 400+ to 900+ in the past eight years. Caseload is defined as handling an activity for a member such as computing a retirement estimate, providing counseling, processing

a purchase request, and others. The ERS has been unable to consistently provide one-to-one counseling for members nearing retirement and more importantly, the ERS has been unable to provide counseling for new hires, mid-career and other employees. The ERS has been unable to provide timely responses to member questions or requests for information, purchase of service credits, transfers of monies to and from qualified plans, and years of credited service. The ERS' inability to provide these services may jeopardize State and county employees' ability to properly plan for their retirement. The conversion of six (6.00) temporary positions to permanent status will fill the critical counseling and processing needs of the growing membership.

**D. Significant Changes to Measures of Effectiveness
and Program Size**

This conversion does not affect the size of the ERS program. However, these positions will assist in counseling the growing number of members and retirees, and shorten the processing time for disability and death claims, retirement estimate requests, enrollment of new members, finalizing retiree pension benefits, purchase of service requests, years of service inquiries, and other requests.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

PROGRAM ID:
PROGRAM STRUCTURE NO **110307**
PROGRAM TITLE: **PROPERTY MANAGEMENT**

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
CURR LEASE PAYMENTS									
OTH CURRENT EXPENSES	4,739,600		4,739,600	4,739,600		4,739,600	9,479,200	9,479,200	
TOTAL CURR LEASE PAY	4,739,600		4,739,600	4,739,600		4,739,600	9,479,200	9,479,200	
BY MEANS OF FINANCING									
GENERAL FUND	4,739,600		4,739,600	4,739,600		4,739,600	9,479,200	9,479,200	
OPERATING	83.00*	*	83.00*	83.00*	-1.00*	82.00*	*	*	
PERSONAL SERVICES	4,158,071		4,158,071	4,158,071		4,158,071	8,316,142	8,316,142	
OTH CURRENT EXPENSES	26,213,010		26,213,010	26,213,010	57,097	26,270,107	52,426,020	52,483,117	
EQUIPMENT	104,700		104,700	104,700		104,700	209,400	209,400	
TOTAL OPERATING COST	30,475,781		30,475,781	30,475,781	57,097	30,532,878	60,951,562	61,008,659	.09
BY MEANS OF FINANCING									
GENERAL FUND	27.00*	*	27.00*	27.00*	*	27.00*	*	*	
	8,291,706		8,291,706	8,291,706	57,097	8,348,803	16,583,412	16,640,509	
	56.00*	*	56.00*	56.00*	-1.00*	55.00*	*	*	
SPECIAL FUND	5,876,441		5,876,441	5,876,441		5,876,441	11,752,882	11,752,882	
OTHER FED. FUNDS	72,634		72,634	72,634		72,634	145,268	145,268	
INTERDEPT. TRANSF	5,785,000		5,785,000	5,785,000		5,785,000	11,570,000	11,570,000	
REVOLVING FUND	10,450,000		10,450,000	10,450,000		10,450,000	20,900,000	20,900,000	
CAPITAL INVESTMENT									
PLANS	950,000		950,000		200,000	200,000	950,000	1,150,000	
DESIGN	305,000		305,000		190,000	190,000	305,000	495,000	
CONSTRUCTION	6,450,000	5,800,000-	650,000		7,800,000	7,800,000	6,450,000	8,450,000	
TOTAL CAPITAL COSTS	7,705,000	5,800,000-	1,905,000		8,190,000	8,190,000	7,705,000	10,095,000	31.02
BY MEANS OF FINANCING									
SPECIAL FUND	7,705,000	5,800,000-	1,905,000						
G.O. BONDS					8,190,000	8,190,000	7,705,000	1,905,000	
								8,190,000	
TOTAL POSITIONS	83.00*	*	83.00*	83.00*	-1.00*	82.00*			
TOTAL PROGRAM COST	42,920,381	5,800,000-	37,120,381	35,215,381	8,247,097	43,462,478	78,135,762	80,582,859	3.13

PROGRAM ID: LNR-101
 PROGRAM STRUCTURE NO 11030701
 PROGRAM TITLE: PUBLIC LANDS MANAGEMENT

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	56.00*	*	56.00*	56.00*	-1.00*	55.00*	*	*	
PERSONAL SERVICES	2,966,813		2,966,813	2,966,813		2,966,813	5,933,626	5,933,626	
OTH CURRENT EXPENSES	2,877,562		2,877,562	2,877,562		2,877,562	5,755,124	5,755,124	
EQUIPMENT	104,700		104,700	104,700		104,700	209,400	209,400	
TOTAL OPERATING COST	5,949,075		5,949,075	5,949,075		5,949,075	11,898,150	11,898,150	
BY MEANS OF FINANCING									
SPECIAL FUND	56.00*	*	56.00*	56.00*	-1.00*	55.00*	*	*	
OTHER FED. FUNDS	5,876,441		5,876,441	5,876,441		5,876,441	11,752,882	11,752,882	
	72,634		72,634	72,634		72,634	145,268	145,268	
CAPITAL INVESTMENT									
PLANS	950,000		950,000		200,000	200,000	950,000	1,150,000	
DESIGN	305,000		305,000		190,000	190,000	305,000	495,000	
CONSTRUCTION	6,450,000	5,800,000-	650,000		7,800,000	7,800,000	6,450,000	8,450,000	
TOTAL CAPITAL COSTS	7,705,000	5,800,000-	1,905,000		8,190,000	8,190,000	7,705,000	10,095,000	31.02
BY MEANS OF FINANCING									
SPECIAL FUND	7,705,000	5,800,000-	1,905,000				7,705,000	1,905,000	
G.O. BONDS					8,190,000	8,190,000		8,190,000	
TOTAL POSITIONS	56.00*	*	56.00*	56.00*	-1.00*	55.00*			
TOTAL PROGRAM COST	13,654,075	5,800,000-	7,854,075	5,949,075	8,190,000	14,139,075	19,603,150	21,993,150	12.19

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: LNR 101
Program Structure Level: 11 03 07 01
Program Title: Public Lands Management

A. Program Objective

To ensure the effective and efficient use of public lands in ways that fulfill the Public Land Trust obligations and promote the sustained social, environmental and economical well-being of Hawaii's people, including planning for the use of and developing State lands, leasing lands for agricultural, commercial, industrial and resort purposes, issuing revocable permits and easements, inventorying and managing public lands, and ensuring the availability of lands for public purposes.

B. Description of Request

Reduce the program's position count by one to reflect the transfer of qualifying non-agricultural land leases from Department of Land and Natural Resources (DLNR) to the Department of Agriculture (DOA) pursuant to Act 90, SLH 2003.

Two CIP budget requests proposes to change the means of financing for the Old Puunui Quarry Rockfall Mitigation project (\$2.6 million) and the Komo Mai Drive Rockfall Mitigation project (\$3.2 million) from special funds (Special Land and Development Fund- SLDF) to general obligation bond funds.

CIP budget request for \$2.39 million in general obligation bond funds for Kuhio Beach Improvements, Waikiki, Oahu.

C. Reasons for Request

Act 90, SLH 2003 allows for the transfer of qualifying non-agricultural land leases from DLNR to DOA. Consequently, given that a relatively minor portion of Public Lands Management's function is being transferred, a reduction in position count is being proposed.

The 2003 Legislature appropriated special funds for the two CIP rockfall mitigation projects. Due to a critical revenue shortfall projected in FY03, Governor authorized the transfer of certain special fund amounts determined to be in excess of fiscal year requirements (H.B. 1152) to the general fund, effective June 28, 2003. Consequently, as special funds to support the rockfall mitigation projects are no longer available, the two CIP budget requests will finance construction efforts to protect and mitigate areas that are considered high risk.

The CIP budget request will replenish approximately 30,000 cubic yards of sand to Kuhio Beach in Waikiki. This would improve water quality, beach width and stability.

D. Significant Changes to Measures of Effectiveness and Program Size Indicators

Although there will be no significant changes to the measures of effectiveness or program size, implementation of the rockfall mitigation CIP projects is necessary to ensure the health and safety of the general public. Additionally, the Kuhio Beach Improvements project will improve water quality will support economic development efforts.

PROGRAM ID: AGS-203
PROGRAM STRUCTURE NO 11030702
PROGRAM TITLE: RISK MANAGEMENT

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
PERSONAL SERVICES	176,565		176,565	176,565		176,565	353,130	353,130	
OTH CURRENT EXPENSES	10,632,633		10,632,633	10,632,633	57,097	10,689,730	21,265,266	21,322,363	
TOTAL OPERATING COST	10,809,198		10,809,198	10,809,198	57,097	10,866,295	21,618,396	21,675,493	.26
=====									
BY MEANS OF FINANCING	4.00*	*	4.00*	4.00*	*	4.00*	*	*	
GENERAL FUND	359,198		359,198	359,198	57,097	416,295	718,396	775,493	
REVOLVING FUND	10,450,000		10,450,000	10,450,000		10,450,000	20,900,000	20,900,000	
TOTAL POSITIONS	4.00*	*	4.00*	4.00*	*	4.00*			
TOTAL PROGRAM COST	10,809,198		10,809,198	10,809,198	57,097	10,866,295	21,618,396	21,675,493	.26
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: AGS 203
Program Structure Level: 11 03 07 02
Program Title: Risk Management

A. Program Objective

The objective of this program is to operate a comprehensive risk management and insurance program to protect the State against catastrophic losses and to minimize total cost of risk.

B. Description of Request

The cost to adequately insure the State of Hawaii's physical assets and liabilities against catastrophic losses has risen due to changes in the insurance market. The cost for property, liability, and crime insurance is expected to rise significantly over the current insurance premiums.

The expected increases are not a direct reflection upon the State or its departments, rather a response to the world wide catastrophic events and losses.

The request for \$57,097 additional funds is for the Department of Accounting and General Services, excluding the Stadium and Automotive Management, cost allocation assessment for FY 05.

C. Reasons for Request

The request for additional general funds for property, liability, and crime insurance premiums is critical since without appropriate insurance coverage the State's physical assets are not properly protected against catastrophic exposures. The cost to insure the State's physical assets and liabilities against catastrophic losses has risen due to changes in the insurance market.

D. Significant Changes to Measures of Effectiveness and Program Size

The impact to program performance measures would be impacted in the event of a catastrophic loss. There would not be sufficient insurance coverage to provide protection for the State's physical assets. The program would be hindered in its ability to perform its function.

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PROGRAM ID:
PROGRAM STRUCTURE NO **110308**
PROGRAM TITLE: **FACILITIES CONSTRUCTION AND MAINTENANCE**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	244.00*	*	244.00*	244.00*	*	244.00*	*	*	
PERSONAL SERVICES	8,599,605		8,599,605	8,599,605		8,599,605	17,199,210	17,199,210	
OTH CURRENT EXPENSES	12,458,552		12,458,552	12,458,552	275,000	12,733,552	24,917,104	25,192,104	
TOTAL OPERATING COST	21,058,157		21,058,157	21,058,157	275,000	21,333,157	42,116,314	42,391,314	.65
=====									
BY MEANS OF FINANCING	244.00*	*	244.00*	244.00*	*	244.00*	*	*	
GENERAL FUND	16,105,412		16,105,412	16,105,412	275,000	16,380,412	32,210,824	32,485,824	
SPECIAL FUND	58,744		58,744	58,744		58,744	117,488	117,488	
INTERDEPT. TRANSF	894,001		894,001	894,001		894,001	1,788,002	1,788,002	
REVOLVING FUND	4,000,000		4,000,000	4,000,000		4,000,000	8,000,000	8,000,000	
CAPITAL INVESTMENT									
PLANS	7,496,000		7,496,000	7,496,000	151,000	7,647,000	14,992,000	15,143,000	
LAND ACQUISITION	1,000		1,000	1,000	100,000	101,000	2,000	102,000	
DESIGN	246,000		246,000	246,000	1,749,000	1,995,000	492,000	2,241,000	
CONSTRUCTION	1,001,000		1,001,000	1,001,000	3,200,000	4,201,000	2,002,000	5,202,000	
EQUIPMENT	6,000		6,000	6,000		6,000	12,000	12,000	
TOTAL CAPITAL COSTS	8,750,000		8,750,000	8,750,000	5,200,000	13,950,000	17,500,000	22,700,000	29.71
=====									
BY MEANS OF FINANCING									
G.O. BONDS	8,750,000		8,750,000	8,750,000	3,200,000	11,950,000	17,500,000	20,700,000	
OTHER FED. FUNDS					2,000,000	2,000,000		2,000,000	
TOTAL POSITIONS	244.00*	*	244.00*	244.00*	*	244.00*			
TOTAL PROGRAM COST	29,808,157		29,808,157	29,808,157	5,475,000	35,283,157	59,616,314	65,091,314	9.18
=====									

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Budget Requests)

PROGRAM ID: AGS-221
PROGRAM STRUCTURE NO 11030801
PROGRAM TITLE: CONSTRUCTION

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
PERSONAL SERVICES	2,495,462		2,495,462	2,495,462		2,495,462	4,990,924	4,990,924	
OTH CURRENT EXPENSES	2,650,000		2,650,000	2,650,000		2,650,000	5,300,000	5,300,000	
TOTAL OPERATING COST	5,145,462		5,145,462	5,145,462		5,145,462	10,290,924	10,290,924	
BY MEANS OF FINANCING									
GENERAL FUND	18.00*	*	18.00*	18.00*	*	18.00*	*	*	
REVOLVING FUND	1,145,462		1,145,462	1,145,462		1,145,462	2,290,924	2,290,924	
	4,000,000		4,000,000	4,000,000		4,000,000	8,000,000	8,000,000	
CAPITAL INVESTMENT									
PLANS	7,496,000		7,496,000	7,496,000		7,647,000	14,992,000	15,143,000	
LAND ACQUISITION	1,000		1,000	1,000	151,000	101,000	2,000	102,000	
DESIGN	46,000		46,000	46,000	100,000	1,795,000	92,000	1,841,000	
CONSTRUCTION	201,000		201,000	201,000	1,749,000	3,401,000	402,000	3,602,000	
EQUIPMENT	6,000		6,000	6,000	3,200,000	6,000	12,000	12,000	
TOTAL CAPITAL COSTS	7,750,000		7,750,000	7,750,000	5,200,000	12,950,000	15,500,000	20,700,000	33.55
BY MEANS OF FINANCING									
G.O. BONDS	7,750,000		7,750,000	7,750,000	3,200,000	10,950,000	15,500,000	18,700,000	
OTHER FED. FUNDS					2,000,000	2,000,000		2,000,000	
TOTAL POSITIONS	18.00*	*	18.00*	18.00*	*	18.00*			
TOTAL PROGRAM COST	12,895,462		12,895,462	12,895,462	5,200,000	18,095,462	25,790,924	30,990,924	20.16

A. Program Objective

The objective of this program is to ensure provision of approved physical facilities necessary for the effective operation of State programs by providing timely and economical design and construction services within assigned areas of responsibility.

B. Description of Request

This supplemental CIP request includes additional funding to continue with the statewide Department of Education's classroom renovation program; to address necessary improvements to the Aloha Stadium parking lots, spectator seats and telephone system; to provide a new access road for Kailua High School; to retrofit public buildings with hurricane protective measures statewide; and to renovate the historic Washington Place and Queen's Gallery.

C. Reasons for Request

The statewide DOE classroom renovation program continues to address the projected \$675 million backlog of repairs to the physical plant of public schools. Work will increase the usable life of the facilities and provide more aesthetic, conducive learning environments for the students. Deferral will increase the scope and cost of future repairs due to aging and secondary damage.

All three Aloha Stadium projects address replacement and upgrade of obsolete, critical components of the stadium's operational requirements to provide safe, efficient and functional facilities for public use. These components are beyond repair, and further maintenance efforts will not extend their useful life. Deferral of these projects would be unsatisfactory due to the significant increase in liability and risk of clientele injury or the inability to provide emergency response via the unreliable telecommunication system. The parking lot improvements and seat replacement projects are both proposed for Reimbursable GO Bonds funding; the telephone system replacement project is proposed for special funds.

The Kailua High access road addresses community concerns about the existing traffic problems along Pali Highway and in the adjacent residential subdivision development which will continue or may get

worse if changes are not implemented now.

The retrofit of statewide public buildings (public schools and selected county buildings) to provide hurricane-rated protection is necessary to reduce the estimated shortfall of 175,000 emergency shelter spaces. This estimate includes the deficiency for permanent residents and tourists primarily for protection from hurricane force winds. The retrofitted shelters will be used during emergencies for hurricanes, tsunamis, tropical storms, earthquakes, hazardous material incidents and other natural and man-made hazards. If this project is deferred, public safety will be seriously threatened. State funding is also required to qualify for federal aid financing.

The primary goal in the renovation of Washington Place is the preservation of the building with the retention of existing historic material. Changes will be limited to those needed to make the second floor and other specific areas function as museum spaces or museum support. Visitors and residents of Hawaii will enjoy access to that half of the historic structure of Washington Place that has been inaccessible to the public for all of its 155-year history. These areas will serve as an educational conduit to convey previously unknown aspects of Hawaiian history in an innovative, appealing manner not possible elsewhere in the world. This project will complete efforts to return Washington place to the people of Hawaii.

D. Significant Changes to Measures of Effectiveness, and Program Size

No significant changes are expected to the program's measures of effectiveness and program size.

PROGRAM ID: AGS-231
PROGRAM STRUCTURE NO 11030802
PROGRAM TITLE: CUSTODIAL SERVICES

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	154.50*	*	154.50*	154.50*	*	154.50*	*	*	
PERSONAL SERVICES	3,905,624		3,905,624	3,905,624		3,905,624	7,811,248	7,811,248	
OTH CURRENT EXPENSES	8,101,592		8,101,592	8,101,592	275,000	8,376,592	16,203,184	16,478,184	
TOTAL OPERATING COST	12,007,216		12,007,216	12,007,216	275,000	12,282,216	24,014,432	24,289,432	1.15
=====									
BY MEANS OF FINANCING									
GENERAL FUND	154.50*	*	154.50*	154.50*	*	154.50*	*	*	
SPECIAL FUND	11,054,471		11,054,471	11,054,471	275,000	11,329,471	22,108,942	22,383,942	
INTERDEPT. TRANSF	58,744		58,744	58,744		58,744	117,488	117,488	
	894,001		894,001	894,001		894,001	1,788,002	1,788,002	
TOTAL POSITIONS	154.50*	*	154.50*	154.50*	*	154.50*			
TOTAL PROGRAM COST	12,007,216		12,007,216	12,007,216	275,000	12,282,216	24,014,432	24,289,432	1.15
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: AGS-231
Program Structure Level: 11 03 08 02
Program Title: Custodial Services

A. Program Objective

To maintain assigned public buildings in a clean and safe condition by providing a variety of custodial services.

The program foresees similar shortfalls for Fiscal Year 2005. Therefore, approval of this request is essential to provide the necessary resources to properly operate this facility.

B. Description of Request

Add \$275,000 – Operating Funds for the No.1 Capitol District Building.

D. Significant Changes to Measures of Effectiveness and Program Size

The aforementioned requests will not affect both the program's measures of effectiveness or program size.

C. Reasons for Request

In its supplemental budget request for Fiscal Year 2003, the Administration proposed to fully fund operational requirements for this building. However, a majority of these funds were eliminated during the 2002 Legislative session and a "status quo" budget submittal, prevented reconsideration by the 2003 Legislature. Based on projected costs for the supplemental budget year, \$275,000 is required for operating expenses (\$205,000 for utilities; \$75,000 for air conditioning, elevator, and swimming pool maintenance). During Fiscal Year 2003, an inadequate budget for this facility and rising utility costs contributed to a significant funding shortfall. Although \$250,000 in program restrictions was released and \$107,735 in funding transferred from AGS-233, approximately \$215,000 in utility obligations were carried over and paid in Fiscal Year 2004.

**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID:
PROGRAM STRUCTURE NO **110309**
PROGRAM TITLE: **PURCHASING AND SUPPLIES**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	26.00*	*	26.00*	26.00*	*	26.00*	*	*	
PERSONAL SERVICES	1,199,995		1,199,995	1,199,995	50,000-	1,149,995	2,399,990	2,349,990	
OTH CURRENT EXPENSES	202,055		202,055	202,055		202,055	404,110	404,110	
MOTOR VEHICLES	700,000		700,000	700,000	700,000	1,400,000	1,400,000	2,100,000	
TOTAL OPERATING COST	2,102,050		2,102,050	2,102,050	650,000	2,752,050	4,204,100	4,854,100	15.46
=====									
BY MEANS OF FINANCING									
GENERAL FUND	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
	1,043,020		1,043,020	1,043,020		1,043,020	2,086,040	2,086,040	
REVOLVING FUND	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	1,059,030		1,059,030	1,059,030	650,000	1,709,030	2,118,060	2,768,060	
TOTAL POSITIONS	26.00*	*	26.00*	26.00*	*	26.00*			
TOTAL PROGRAM COST	2,102,050		2,102,050	2,102,050	650,000	2,752,050	4,204,100	4,854,100	15.46
=====									

Intermediate Level Program
No Narrative
(See Lowest Level Programs for Explanation of Budget Requests)

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **AGS-240**
PROGRAM STRUCTURE NO **11030901**
PROGRAM TITLE: **STATE PROCUREMENT**

PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
PERSONAL SERVICES	994,526		994,526	994,526	50,000-	944,526	1,989,052	1,939,052	
OTH CURRENT EXPENSES	98,494		98,494	98,494		98,494	196,988	196,988	
TOTAL OPERATING COST	1,093,020		1,093,020	1,093,020	50,000-	1,043,020	2,186,040	2,136,040	2.29-
=====									
BY MEANS OF FINANCING									
GENERAL FUND	21.00*	*	21.00*	21.00*	*	21.00*	*	*	
REVOLVING FUND	1,043,020		1,043,020	1,043,020		1,043,020	2,086,040	2,086,040	
	50,000		50,000	50,000	50,000-		100,000	50,000	
TOTAL POSITIONS	21.00*	*	21.00*	21.00*	*	21.00*			
TOTAL PROGRAM COST	1,093,020		1,093,020	1,093,020	50,000-	1,043,020	2,186,040	2,136,040	2.29-
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: AGS 240
Program Structure Level: 11 03 09 01
Program Title: State Procurement

A. Program Objective

The objective of this program is to promote economy, efficiency, effectiveness, and impartiality in the procurement of goods, services and construction for State and County governments through development, implementation and maintenance of policies and procedures that provide for broad-based competition, accessibility to government contracts, fiscal integrity and responsibility in the procurement process; to procure or supervise the procurement of goods and services to meet the State's need through economical purchases and inventory control.

B. Description of Request

No new programs are being proposed at this time. The program is in compliance with Act 263, SLH 1994. However, requests are being made to combine organization codes AGS 240/JA and AGS 240/JB to AGS 240/JA State Procurement and to eliminate a revolving fund established for electronic procurements. For the first requested change, two separate organization codes for the program are not needed and unnecessarily add to the complexity of the program's budgeting and accounting records and transactions. No additional resources are being requested. As for the second requested change, non-general fund appropriation account, number S-XX-327-M, is not needed. The \$50,000 ceiling provided by this account cannot be used because the revolving fund related to this account was not authorized by the Legislature.

C. Reasons for Request

Unnecessary work is being done to maintain two separate organization codes for the State Procurement Office when only one is necessary. AGS 240-JA applies to the State Procurement Office and AGS-JB applies to Central Purchasing and Inventory Management. Various items are being done separately for the codes, i.e. BJ tables, payroll registers, purchase logs, and accounting reports. From a program perspective, it would also facilitate funds management to have a single organization code. Similarly, unnecessary work is being done to maintain account S-XX-327-M since the account cannot be used. The intent of the account was to fund an electronic procurement program administrator position and other current expenses to enable the State Procurement Office to develop and maintain electronic procurement systems to better service its customers and suppliers. However, the Governor and Legislature have not approved authorization for a revolving fund for this purpose. Current plans of the State Procurement Office do not include seeking approval of this fund.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

AGS-244
11030902
SURPLUS PROPERTY MANAGEMENT

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
PERSONAL SERVICES	205,469		205,469	205,469		205,469	410,938	410,938	
OTH CURRENT EXPENSES	103,561		103,561	103,561		103,561	207,122	207,122	
MOTOR VEHICLES	700,000		700,000	700,000	700,000	1,400,000	1,400,000	2,100,000	
TOTAL OPERATING COST	1,009,030		1,009,030	1,009,030	700,000	1,709,030	2,018,060	2,718,060	34.69
=====									
BY MEANS OF FINANCING									
REVOLVING FUND	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
	1,009,030		1,009,030	1,009,030	700,000	1,709,030	2,018,060	2,718,060	
TOTAL POSITIONS	5.00*	*	5.00*	5.00*	*	5.00*			
TOTAL PROGRAM COST	1,009,030		1,009,030	1,009,030	700,000	1,709,030	2,018,060	2,718,060	34.69
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: AGS 244
Program Structure Level: 11 03 09 02
Program Title: State Procurement

A. Program Objective

The program coordinates the transfer of State surplus property and Federal surplus property available through the Federal Surplus Property program to eligible "donees" (state/local government that serve or promote a public purpose and non-profit, qualified small minority owned businesses, tax-exempt educational and public health institutions or organizations).

To achieve the greatest economical use of State and Federal property declared surplus and a source of surplus goods being re-utilized by other governmental bodies or eligible private, nonprofit organizations.

B. Description of Request

No new programs are being proposed at this time. The program is in compliance with Act 263, SLH 1994. An increase of \$700,000, however, is being requested to raise the program's budget ceiling to purchase surplus vehicles from the Federal Government.

C. Reasons for Request

The current funding ceiling is \$700,000 to purchase used vehicles from the Federal government. It is grossly inadequate to seize opportunities to purchase vehicles as they become available to meet the needs of State and County agencies, qualified non-profit organizations and eligible 8A minority owned small businesses. For example, during the first quarter of fiscal year 2004, \$302,600 was expended to purchase used vehicles. If the current rate of expenditures continues, shortly after the beginning of the third quarter, the program will not be able to purchase additional vehicles from the Federal Government for the

remainder of the fiscal year. It is important to note that buyers for the used vehicles are committed to the purchase before the program acquires the vehicles from the General Services Administration. Therefore, the financial liability, if any, is limited and the benefits gained by customers significantly enhanced.

Following the procedures of a revolving fund, separate accounting of expenditures is necessary and cannot be offset by revenue receipts. Vehicle purchases from the Federal Government are recorded first and then the receipts of funds from customers are recorded. Availability of funds or the fund balance to purchase more vehicles does not include offsets from funds received from customers. The fund balance is determined only by the amount of funds appropriated and the amount of funds expended. If expenditures therefore reach the ceiling that is determined by the amount of funds appropriated, customers can purchase no additional vehicles regardless of the availability of vehicles and the need for them.

Special note: Request is for raising of the funding ceiling and not for additional funds. Also, no funds are being requested from the General Fund. The AGS 244 Surplus Management fund is a revolving fund and self-sustaining.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes.

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID: **AGS-251**
PROGRAM STRUCTURE NO **110310**
PROGRAM TITLE: **MOTOR POOL**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	13.50*	*	13.50*	13.50*	*	13.50*	*	*	
PERSONAL SERVICES	520,920		520,920	520,920		520,920	1,041,840	1,041,840	
OTH CURRENT EXPENSES	699,710		699,710	699,710	31,006	730,716	1,399,420	1,430,426	
EQUIPMENT	5,000		5,000	5,000		5,000	10,000	10,000	
MOTOR VEHICLES	954,400		954,400	954,400		954,400	1,908,800	1,908,800	
TOTAL OPERATING COST	2,180,030		2,180,030	2,180,030	31,006	2,211,036	4,360,060	4,391,066	.71
=====									
BY MEANS OF FINANCING									
REVOLVING FUND	13.50*	*	13.50*	13.50*	*	13.50*	*	*	
	2,180,030		2,180,030	2,180,030	31,006	2,211,036	4,360,060	4,391,066	
TOTAL POSITIONS	13.50*	*	13.50*	13.50*	*	13.50*			
TOTAL PROGRAM COST	2,180,030		2,180,030	2,180,030	31,006	2,211,036	4,360,060	4,391,066	.71
=====									

Narrative for Supplemental Budget Requests
FY 2005

Program ID: AGS-251
Program Structure Level: 11 03 10
Program Title: Motor Pool

A. Program Objective

To assist State agencies by providing motor pool vehicles for transportation required in the course of performing their official duties.

D. Significant Changes to Measures of Effective and Program Size

None

B. Description of Request

Additional funds are required to meet increased motor vehicle insurance costs.

C. Reasons for Request

Allocated insurance cost to Motor Pool to increase by \$31,006.00 in Fiscal Year 2005.

